

JUDITH A. SHARP
MONROE COUNTY ASSESSOR
Monroe County Courthouse-Room 104
Bloomington, Indiana 47404
Phone (812) 349-2703

May 29, 2009

**An Overview of Monroe County's 2009 Annual Trending
June 2009**

The following steps were taken to conduct the 2009 annual trending in Monroe County:

Step 1: Calculation of New Land Values

New land values were reviewed and adjusted where necessary county wide for both residential and commercial/industrial properties using a combination of last year's values, 2007 and 2007 sales and appeal information from 2007. Due to the lack of vacant residential sales, the townships of Indian Creek and Polk Township were combined for statistical analysis as each township only had 2 sales represented in the study. For both Vacant Commercial and Vacant Industrial classifications, the entire county was grouped together for statistical analysis due to minimal number of sales. The entire land value review process resulted in only a small percentage of the neighborhood base rates being adjusted.

Step 2: Calculation of New Residential Factors and Residential Studies

Per 50 IAC 14, a preliminary ratio study was conducted for vacant and improved residential properties at the township level. The study indicated property classes that needed further analysis, which included reassigning parcels to new neighborhoods and/or stratifying neighborhoods. After final analysis was completed on parcels new neighborhood factors were assigned. Sales from the 2007 and 2008 period plus information taken from the 2007 appeals were used to determine market adjustment factors. Sales from 2007 were not time adjusted. The township of Polk experienced zero valid improved residential sales, therefore the statistical analysis of Indian Creek Township was reported. The housing market in Monroe County continues to be active. Overall, the housing market is showing a slight increase from previous years, however, this increase is predominately neighborhood and market area driven. Overall, the majority of the residential properties remained unchanged, however slight increases were the result in those neighborhoods that continue to show high sales activity and demand. New neighborhoods are continually being developed and new updated sales information in these newly developed areas has led to AV changes were necessary.

Step 3: Updated Commercial & Industrial Improvement Values

New commercial and industrial cost table updates were the starting point for updating commercial and industrial improvement values. The county also changed the year of depreciation from 2007 to 2008. The Nexus Group Construction Cost Index (NCCIsm) was used to update these cost tables. These detailed construction cost models have been constructed by Nexus Group and applied uniformly by property class based on specific usage, wall type and other characteristics. Due to the lack of improved commercial sales in the counties smaller townships, all townships with the exception of Bloomington, Perry and Richland were combined for statistical analysis. The three larger townships of Bloomington, Perry and Richland all had studies conducted individually. The Improved Industrial analysis was conducted county wide as there were only a total of six (6) sales in the entire county for this classification.

Step 4: Analysis of Residential Sold Properties versus Unsold Properties

An analysis study was completed for improved residential properties to determine if sold properties changed at the same level as unsold properties. This data was reviewed at the township level and at a neighborhood level where necessary as many areas within Monroe County are unique, experiencing different levels of growth and development. Once again, sales activity remains strong within Monroe County, more so in certain neighborhoods or market areas than others.

Step 5: Use of Sales information

Monroe County is committed to utilizing as many valid sales as possible. Multiple parcel sales have been used, in an effort to achieve this goal. A separate work file is attached listing the 2008 sales that were initially marked valid and an explanation as to why they were not used in the study.